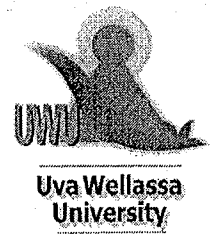


Uva Wellassa University
B.Sc. in Export Agriculture



End Semester Examination June/July 2009
Year II Semester II

Agribusiness Management EMG 2202-2 – Repeat

Instructions

Answer all questions

No. of questions : Two (02)

No. of pages : One (01)

Total marks allocated : 60%

Time : One hour (1hr)

Index No:

Part 11 – Essay

Question 1

- I. Explain the term “Agribusiness”. (05 marks)
- II. Briefly outline the basic steps involved in Decision Making Process. (10 marks)
- III. Discuss the characteristics of agribusiness sector in Sri Lanka. (15 marks)

Question 2

- I. Green Product Company is considering in starting a new project. Following information are pertained to two project alternatives.

Year	Project A Cash Flow	Project B Cash Flow
0	-45,000	-60,000
1	25,000	8,000
2	15,000	20,000
3	8,000	30,000
4	5,000	425,000

- a. What are the Simple Payback periods for each of these projects? If the Payback cut off period is 3 years, which project can be recommended to undertake? (10 marks)
- b. If the Discount Rate is 10%, using Discounted Payback Period calculation, which projects you would accept? (10 marks)
- c. If the Discount Rate is 10%, calculate the NPV values for the project A and Project B and determine the project to be accepted. (10 marks)

- End -